

KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS

MAIN EXAMINATIONS

2020/2021 ACADEMIC YEAR

SECOND YEAR SECOND SEMESTER

FOR THE DEGREE OF BACHELOR OF COMMERCE

COURSE CODE: BCP 221

COURSE TITLE: PURCHASING AND SUPPLIES MANAGEMENT

DATE: 03/08/2021

TIME: 2.00PM-4.00PM

INSTRUCTIONS TO CANDIDATES

- 1) Answer Question **ONE**(Compulsory) and **ANY OTHER TWO** Questions
 - 2) Candidates must hand in their answer booklets to the invigilator while in the examination room
 - 3) Credit is given for legibility, clarity and use of relevant examples
 - 4) Question **ONE** is **30 marks** while Questions **2-5** carry **20 marks** each
 - 5) Clearly write your **Registration Number** on each answer sheet used
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TIME: 2 Hours

KIBU observes **ZERO** tolerance to examination cheating

QUESTION ONE

- a) Define the following terms as used in Purchasing and Supplies Management.
 - i. Procurement (2marks)
 - ii. Purchasing (2marks)
 - iii. Buying (2marks)
 - iv. Supply chain (2marks)
- b) List **FOUR** advantages of Matrix organizational structure (4marks)
- c) Highlight **THREE** benefits of bar coding to the Purchasing and Supplies department. (3marks)
- d) Name **FOUR** benefits of outsourcing to an organization (4Marks)
- e) Explain **FOUR** costs associated with Inventories (8marks)
- f) List **THREE** functions of bonded warehouses (3marks)

QUESTION TWO

- a) Discuss **FOUR** factors influencing centralization of Purchasing and Supply Department (8marks)
- b) Describe the purchasing cycle (12marks)

QUESTION THREE

- a) Recommend **FIVE** requirements of a good specification (10marks)
- b) Discuss **FIVE** demerits of international sourcing (10marks)

QUESTION FOUR

- a) Appraise **FIVE** problems of Partnership Sourcing. (10Marks)
- b) Illustrate **FIVE** reasons an organization would hold stock. (10marks)

QUESTION FIVE

- a) Appraise **FIVE** disadvantages of Reciprocity (10Marks)
- b) Suggest **FIVE** Techniques you would use in Negotiation (10Marks)